



September 28, 2006

TO: Transportation Authority of Marin Commissioners

FROM: Dianne Steinhauser, Executive Director

RE: Infrastructure Bond Priorities, Agenda Item 9

Dear Commissioners:

Executive Summary

The Infrastructure Bonds on the ballot this coming November 7th are a significant investment in addressing the dire state of public works in California. Over the next ten years, California faces a \$115 Billion shortfall in funding to meet its transportation needs. With a population of \$34 Million and growing, California needs to pull out of its position of dead last amongst states in transportation investment from state funds.

The \$19.925 Billion dedicated to transportation through the Governor's approval of SB 1266, on the ballot as Prop 1B, will enable substantial improvements to transportation in the Bay Area. Its companion proposition, Prop 1A, will close the loophole allowing Prop 42 revenues to be annually deferred to other needs. With funding proposed in a wide variety of categories, Marin has much to gain in supporting the Transportation Bond propositions.

TAM staff seeks a support position from the TAM Board for the transportation ballot measures Proposition 1A, Transportation Investment Fund, and Proposition 1B, Highway Safety, Traffic Reduction, Air Quality, Port Security Bond Act of 2006, going before voters in November. TAM staff will be working to distribute information about the ballot measures over the coming months. The support position centers around a number of categories of funding that Marin will receive funds from, or compete well in. These categories, and specifics regarding Marin's role in each, are explained in detail below and on the attached documents.

The Executive Committee discussed this proposal at their regular meeting of September 13th, 2006 and unanimously supported TAM taking a support for Propositions 1A and 1 B.

Recommendation: that the TAM Board adopt a support position for Proposition 1A and Proposition 1B on the ballot in November 2006.

Elements of the Transportation Bond Act, Proposition 1B

Corridor Mobility Investment Account- \$4.5 Billion

The CMIA is dedicated to improvements on the state highway system or major access routes to the state highway system. Candidates can be recommended from Caltrans or from the Regional

Transportation Planning Agency (RTPA) or Council of Governments (COG). In the Bay Area, MTC serves as the RTPA and will be coordinating closely with Caltrans so that each agency submits the same list of candidates.

The CMIA Program is the program with the most aggressive schedule called for in SB 1266 Perata, the Transportation Bond legislation, with the CTC required to adopt a program by March 1st, 2007. A Statewide CMIA Working Group has been meeting since June to develop draft guidance regarding the CMIA Program. Several features in the Working Group's guidance are likely to be included in the final draft to be published by CTC staff around October 10-11, 2006. Current discussion:

- The CTC is required as part of the guidance to adopt "regional programming targets." As the CMIA Program is prescribed statutorily to follow the North-South split, the 40% share in Northern California is likely to be distributed amongst 5 primary areas: The Bay Area, the Central Coast, Sacramento, the San Joaquin Valley, and the rural north counties. Discussion has ensued over daily vehicle hours of delay being the primary factor in assigning targets. The Bay Area accounts for over 85% of the congestion in Northern California. The MTC region is proposing a target reflecting that fact.
- With a statutory deadline that projects "can commence construction or implementation no later than December 31st, 2012" the guidance will likely create a deadline of December 31st 2011, allowing substitution for projects missing the deadline. The emphasis on deliverability will serve to screen out projects not ready for the program with periodic adjustments to the program based on delivery failures.
- Performance measures will serve as screening mechanisms in selecting projects. Several performance measures are alluded to in SB 1266. They will assist in guiding the decision for inclusion of projects in the program. Performance measures being actively discussed are
 - Daily Vehicle Hours of Delay
 - Peak Travel Time
 - Fatal Injury Accidents
 - Collision rates
 - Reduction in miles of substandard facilities
- Some sort of documentation will be required similar to a Project Study Report that exhibits in detail the project cost, scope, and schedule in order for a project to be considered for adoption into the CMIA Program. While the CTC has a goal of adopting a program by March 1st, 2007 assigning the entire \$4.5 Billion, if they do not have enough well documented projects by the March 1st deadline for initial program adoption, a second round of program adoption will occur after that date.

The CTC staff has adopted a schedule of meeting the statutory requirements. That schedule, coupled with MTC likely activity is highlighted below:

Release of draft CMIA guidelines	October 10-11 CTC meeting
Ballot Measures successfully pass Nov 7 th election	Nov 7th
Adopt Guidelines	November 8-9 CTC meeting
MTC & CT & sponsors finalize draft list of projects	Nov/ early Dec
Bay Area Partnership meeting to consider CMIA list	early December
Special MTC Commission meeting	early January 2007
MTC submits candidates	January 15 th , 2007
Caltrans submits candidates	January 15 th 2007
CTC adopts initial program	March 1 st , 2007

Marin's most likely candidates in the CMIA Program are as follows. Staff will be bringing a list of project specifics back to the TAM Board for further discussion in November or December:

- The Greenbrae/580/101 Interchange complex
- The Marin Sonoma Narrows
- The 101/131 Interchange, or the "Tiburon Wye"

California Ports Infrastructure, Security, & Air Quality Improvement Account - \$3.1 Billion

While substantial in size, this element will primarily be dedicated to improvements around the Southern California ports of Los Angeles and Long Beach, which represent over 70% of California's port activity. Two billion dollars of these funds are contained within the Trade Corridor Improvement Fund (TCIF), \$1 billion are dedicated to the State Air Resources Board for emission reductions, and \$100 million are dedicated to the Office of Emergency Services for port, harbor, and ferry terminal security improvements. The Business Transportation and Housing Agency is on schedule to submit a "goods movement plan" to the CTC, by January 1, 2007, which is to be consulted prior to the CTC allocating any funds. Note that a substantial match, envisioned as 50% or greater, is required for projects to be considered in this category.

In the Bay Area, the focus for receiving any of the \$2 billion in the TCIF account is the Port of Oakland. Rail improvements for accessing the port as well as trucking improvement around the port are currently under consideration. The counties of Alameda, Contra Costa, and San Joaquin are coordinating with the trucking industry as to what trucking improvements may be feasible along Hwy 580 over the Altamont Pass and along the Hwy 205 Corridor.

While Marin County has substantial truck traffic, both within Marin and moving through Marin into and out of Sonoma County (approaching 10% ADT), MTC is focusing on immediate needs in and around the Port of Oakland, as well as the 580 Corridor. The 50% match requirement is daunting for most CMA's to participate. The Port of Oakland's needs are the Bay Area's best chance to compete with the Southern California ports and their Alameda Corridor.

State Local Partnership Program (SLPP)

The SLPP is a program of matching funds to local funds being invested in transportation. Per statutes, the Legislature must adopt guidance for this program. The CTC will kick off working group discussions in the next few weeks to develop guidelines for this program, which will serve to advise the Legislature. As that effort is just starting, the Self-Help County Coalition, comprised of the 19 transportation sales tax counties around the State, have been developing guidelines to advise and direct the program. TAM has had substantial input into that process. The program recommendation from the Self-Help Coalition as well as the CTC is likely to shape legislative guidance. Current guidance being considered by the Self-Help Coalition:

- The Coalition will likely support the match only being available for "voter approved initiative funds". This excludes developer fees as being eligible for the state matching funds under this program. Legislative staff has indicated that the intent of the legislation was for voter-approved self-help counties to benefit from the funds. The transportation sales tax counties with votes in November need this program to pass their local measures, as an incentive. (Note "local tolls" in the Bay Area will also likely qualify)
- The minimum amount for a project to qualify has been roughly established at \$5 Million., reduced from an ideal of \$25 million supported by the larger counties around the state.

- “Use it or Lose it” provisions will be built in to the guidance. In other words, once you get the funds, you will have a year to advertise and get the project under construction, or lose the SLPP match.
- Rehabilitation projects will be eligible, likely limited to major reconstruction of facilities.

For Marin, the nearly \$100 million in local sales tax invested in Local Infrastructure will substantially qualify for SLPP funds. Note that under the previous SLTPP program, which existed between the late 1980's and late 1990's, the match varied from a low of 5.6% to a high of 30%. The Legislature will be addressing SLPP guidance and criteria in the spring of 2007.

Local Streets & Road Improvement Congestion Relief and Draft Safety Account – \$2 Billion

These funds are described in statute as a formulaic distribution, 50% to counties and 50% to cities. MTC has developed an estimate of funds to be distributed in the Bay Area. Funds coming to Marin total \$14,464,612. See Attachment A for exact amounts to each jurisdiction.

Public Transportation Modernization Improvement and Service Enhancement Account \$7 Billion

After \$100 million is taken off the top of this account for intercity rail improvements, the remainder is distributed 50% per existing statutory formulas for State Transit Assistance (STA) Revenue-Based Share and 50% for existing statutory formulas for STA Population-Based Share. The revenue-based share goes to the Bay Area transit operators. The distribution, at this point in time, is envisioned to go to existing transit operators. Golden Gate Transit will receive \$40 million of which a share will come to the Marin County Transit District per the existing 5-year contract between Golden Gate and MCTD. See Attachment B for Bay Area totals. The Population – Based funds come to MTC and are distributed via MTC policy. MTC may or may not revise their 1991 policy guiding the use of these funds. Discussions regarding this will ensue if and after the bond measures are passed in November.

State Transportation Improvement Program (STIP) Augmentation - \$2 Billion

Marin County is due to receive \$10.3 million as their Regional Transportation Improvement Program (RTIP) county share from the STIP element of the I-Bond. Per SB-45 rules, Marin will be able to program these funds to eligible projects in Marin County. The CTC intends to engage in a 2006 STIP Augmentation process beginning in early spring 2007 with adoption of the programming of these funds by Summer 2007.

TAM will look closely at its needs after the adoption of the CMIA list of projects March 1, 2007 by the CTC. It is likely that improvements at the Hwy 101/131 Interchange, the Tiburon Wye, will fare better as a local RTIP commitment than in the CMIA program. As substantial work will be completed in detailed scoping of the improvements at the Greenbrae/580/101 complex, it may also be a candidate for future RTIP. Note also that TAM will be working very closely with Caltrans to compete for Interregional Transportation Improvement Program (ITIP) funds from the STIP as well, which are under Caltrans and CTC discretion. Note that Hwy 101 and Hwy 580 are strong candidates for these funds.

Transportation Investment Fund, Proposition 1A

In May 2006, SCA7- Torlakson, the Transportation Investment Fund, was approved by the Legislature and Governor, promising a permanent fix to the deferral of Prop 42 funds, only feasible upon voter approval in November 2006. The regular diversion of Proposition 42 revenues to other than transportation purposes will be significantly reduced, recasting the suspension provisions. With diversion to be allowed twice in a ten-year period and requiring interest repayment, Proposition 42 revenues will be more reliably available in addressing transit, highway, and local street and road needs.

Marin will receive its share of the Proposition 42 revenues from the Prop 42 40% Local Streets and Roads element. Another 40% share of Prop 42 is assigned to the STIP and is currently assumed in the CTC Fund Estimate for the 2006 STIP, therefore an increased amount of STIP funds beyond what is already known to be available to Marin County is unlikely. The final 20% share of Prop 42 funds comes to the region via the Public Transportation Account. A share of the PTA funds will come to Golden Gate Transit, and by contract arrangement with MCTD, a share will be redistributed to MCTD. A detailed summary of local streets and roads amounts is shown in Attachment C.

In summary, staff recommends that the TAM Board adopt a support position for Proposition 1A and Proposition 1B on the ballot in November 2006.

Attachments: A – Bay Area Share of Proposition 1B Local Street and Road Funds
B – SB 1266 Infrastructure Bond Summary: Public Transportation Modernization and Improvement
C – Bay Area Share of Proposition 42 Street & Road Funding, FY 2009 Estimate

Bay Area Share of Proposition 1B Local Street and Road Funds

Note: All Numbers are estimates and subject to change

STATEWIDE AMOUNT	\$ 2,000,000,000
BAY AREA SHARE	\$ 375,435,420
DISTRIBUTIONS TO COUNTIES	\$ 167,675,794
DISTRIBUTIONS TO CITIES	\$ 207,759,626
DIRECT DISTRIBUTIONS TO COUNTIES	ALLOCATION
Alameda	\$31,250,390
Contra Costa	\$24,570,278
Marin	\$7,381,728
Napa	\$4,998,243
San Francisco	\$14,656,034
San Mateo	\$18,472,879
Santa Clara	\$38,048,019
Solano	\$11,375,937
Sonoma	\$16,922,286
Region	\$167,675,794
DIRECT DISTRIBUTIONS TO CITIES	
ALAMEDA	
ALAMEDA	\$ 2,363,936
ALBANY	\$ 529,944
BERKELEY	\$ 3,348,208
DUBLIN	\$ 1,331,436
EMERYVILLE	\$ 400,000
FREMONT	\$ 6,676,971
HAYWARD	\$ 4,651,240
LIVERMORE	\$ 2,587,542
NEWARK	\$ 1,381,602
OAKLAND	\$ 13,081,949
PIEDMONT	\$ 400,000
PLEASANTON	\$ 2,156,502
SAN LEANDRO	\$ 2,575,818
UNION CITY	\$ 2,260,584
COUNTY TOTAL	\$ 43,745,732
CONTRA COSTA	
ANTIOCH	\$ 3,207,143
BRENTWOOD	\$ 1,458,044
CLAYTON	\$ 400,000
CONCORD	\$ 3,953,481
DANVILLE	\$ 1,367,814
EL CERRITO	\$ 745,702
HERCULES	\$ 757,235
LAFAYETTE	\$ 768,577
MARTINEZ	\$ 1,162,254
MORAGA	\$ 519,078
OAKLEY	\$ 923,716
ORINDA	\$ 562,128
PINOLE	\$ 618,426
PITTSBURG	\$ 2,000,918

PLEASANT HILL	\$	1,063,128
RICHMOND	\$	3,287,302
SAN PABLO	\$	991,770
SAN RAMON	\$	1,688,226
WALNUT CREEK	\$	2,100,426
COUNTY TOTAL	\$	27,575,368
MARIN		
BELVEDERE	\$	400,000
CORTE MADERA	\$	400,000
FAIRFAX	\$	400,000
LARKSPUR	\$	400,000
MILL VALLEY	\$	436,377
NOVATO	\$	1,624,461
ROSS	\$	400,000
SAN ANSELMO	\$	400,000
SAN RAFAEL	\$	1,822,046
SAUSALITO	\$	400,000
TIBURON	\$	400,000
COUNTY TOTAL	\$	7,082,884
NAPA COUNTY		
AMERICAN CANYON	\$	475,329
CALISTOGA	\$	400,000
NAPA	\$	2,437,010
ST HELENA	\$	400,000
YOUNTVILLE	\$	400,000
COUNTY TOTAL	\$	4,112,339
SAN FRANCISCO	\$	25,375,019
SAN MATEO		
ATHERTON	\$	400,000
BELMONT	\$	814,868
BRISBANE	\$	400,000
BURLINGAME	\$	899,824
COLMA	\$	400,000
DALY CITY	\$	3,330,257
EAST PALO ALTO	\$	1,019,315
FOSTER CITY	\$	949,959
HALF MOON BAY	\$	404,733
HILLSBOROUGH	\$	400,000
MENLO PARK	\$	976,964
MILLBRAE	\$	658,776
PACIFICA	\$	1,230,784
PORTOLA VALLEY	\$	400,000
REDWOOD CITY	\$	2,417,375
SAN BRUNO	\$	1,318,981
SAN CARLOS	\$	898,013
SAN MATEO	\$	2,996,500
SOUTH SAN FRANCISCO	\$	1,964,222
WOODSIDE	\$	400,000
COUNTY TOTAL	\$	22,280,571

SANTA CLARA	
CAMPBELL	\$ 1,220,268
CUPERTINO	\$ 1,710,561
GILROY	\$ 1,541,761
LOS ALTOS	\$ 877,139
LOS ALTOS HILLS	\$ 400,000
LOS GATOS	\$ 921,015
MILPITAS	\$ 2,073,897
MONTE SERENO	\$ 400,000
MORGAN HILL	\$ 1,178,425
MOUNTAIN VIEW	\$ 2,287,367
PALO ALTO	\$ 1,974,516
SAN JOSE	\$ 30,299,523
SANTA CLARA	\$ 3,519,327
SARATOGA	\$ 979,665
SUNNYVALE	\$ 4,242,853
COUNTY TOTAL	\$ 53,626,317
SOLANO	
BENICIA	\$ 867,957
DIXON	\$ 558,347
FAIRFIELD	\$ 3,355,070
RIO VISTA	\$ 400,000
SUISUN CITY	\$ 881,587
VACAVILLE	\$ 3,062,585
VALLEJO	\$ 3,847,460
COUNTY TOTAL	\$ 12,973,006
SONOMA	
CLOVERDALE	\$ 400,000
COTATI	\$ 400,000
HEALDSBURG	\$ 400,000
PETALUMA	\$ 1,802,285
ROHNERT PARK	\$ 1,367,019
SANTA ROSA	\$ 4,992,685
SEBASTOPOL	\$ 400,000
SONOMA	\$ 400,000
WINDSOR	\$ 826,401
COUNTY TOTAL	\$ 10,988,390
GRAND TOTAL, BY COUNTY	
Alameda	\$74,996,122
Contra Costa	\$52,145,646
Marin	\$14,464,612
Napa	\$9,110,582
San Francisco	\$40,031,053
San Mateo	\$40,753,450
Santa Clara	\$91,674,336
Solano	\$24,348,943
Sonoma	\$27,910,676
Region	\$375,435,420

Sources: City calculations provided by the League of California Cities based on population data from January 2006.
County calculations provided by the California State Association of Counties.

Bay Area's Share of Transit Funding in SB 1266
Based on \$3.6 billion total statewide¹

Apportionment Jurisdictions	Revenue Estimate
AC Transit	\$ 106,897,001
Alameda CMA - Corresponding to ACE	\$ 1,777,814
BART	\$ 245,774,375
Benicia	\$ 165,343
Caltrain	\$ 40,427,243
CCCTA	\$ 5,724,703
Dixon	\$ 40,059
ECCTA	\$ 2,678,815
Fairfield	\$ 692,075
GGBHTD	\$ 40,042,443
Healdsburg	\$ 11,092
LAVTA	\$ 1,735,640
NCPTA	\$ 424,896
SamTrans	\$ 47,285,569
San Francisco Muni	\$ 336,026,922
Santa Rosa	\$ 1,030,716
Sonoma County Transit	\$ 1,093,614
Union City	\$ 432,549
Vallejo	\$ 5,215,385
VTA	\$ 144,195,873
VTA - Corresponding to ACE	\$ 2,427,299
WestCAT	\$ 3,022,757
SUBTOTAL	\$ 298,423,885
TOTAL REVENUE BASED AMOUNT	\$ 987,122,183
BAY AREA POPULATION SHARE	\$ 347,017,407
GRAND TOTAL	\$ 1,334,139,591

Note 1. Funds distributed according to State Transit Assistance Formula, Revenue and Taxation Code 99313 and 99314. Revenue and Population Factors provided by State Controller for FY07 Fund Estimate - subject to change.

Prop 1A

Bay Area Share of Proposition 42 Street & Road Funding FY 2009 Estimate

Note: All Numbers are estimates and subject to change. Assumes \$1.5 billion in Prop. 42 funding statewide.

STATEWIDE AMOUNT	\$600,000,000
BAY AREA SHARE	\$ 113,014,800
DISTRIBUTIONS TO COUNTIES	\$50,302,738
DISTRIBUTIONS TO CITIES	\$ 62,712,062
DIRECT DISTRIBUTIONS TO COUNTIES	AMOUNT
Alameda	\$ 9,375,117
Contra Costa	\$ 7,371,083
Marin	\$ 2,214,518
Napa	\$ 1,499,473
San Francisco	\$ 4,396,810
San Mateo	\$ 5,541,864
Santa Clara	\$ 11,414,406
Solano	\$ 3,412,781
Sonoma	\$ 5,076,686
Region	\$50,302,738
DIRECT DISTRIBUTIONS TO CITIES	
ALAMEDA	
ALAMEDA	\$ 730,018
ALBANY	\$ 163,654
BERKELEY	\$ 1,033,976
DUBLIN	\$ 411,167
EMERYVILLE	\$ 83,760
FREMONT	\$ 2,061,948
HAYWARD	\$ 1,436,372
LIVERMORE	\$ 799,071
NEWARK	\$ 426,659
OAKLAND	\$ 4,039,900
PIEDMONT	\$ 107,916
PLEASANTON	\$ 665,960
SAN LEANDRO	\$ 795,451
UNION CITY	\$ 698,102
COUNTY TOTAL	\$ 13,453,954
CONTRA COSTA	
ANTIOCH	\$ 990,413
BRENTWOOD	\$ 450,266
CLAYTON	\$ 107,180
CONCORD	\$ 1,220,893
DANVILLE	\$ 422,401
EL CERRITO	\$ 230,284
HERCULES	\$ 233,845
LAFAYETTE	\$ 237,348
MARTINEZ	\$ 358,921
MORAGA	\$ 160,299
OAKLEY	\$ 285,257
ORINDA	\$ 173,593
PINOLE	\$ 190,979
PITTSBURG	\$ 617,913

PLEASANT HILL	\$	328,310
RICHMOND	\$	1,015,168
SAN PABLO	\$	306,273
SAN RAMON	\$	521,349
WALNUT CREEK	\$	648,643
COUNTY TOTAL	\$	8,499,336
MARIN		
BELVEDERE	\$	20,957
CORTE MADERA	\$	92,218
FAIRFAX	\$	71,878
LARKSPUR	\$	118,129
MILL VALLEY	\$	134,760
NOVATO	\$	501,658
ROSS	\$	23,126
SAN ANSELMO	\$	121,838
SAN RAFAEL	\$	562,675
SAUSALITO	\$	72,546
TIBURON	\$	86,517
COUNTY TOTAL	\$	1,806,301
NAPA COUNTY		
AMERICAN CANYON	\$	146,789
CALISTOGA	\$	51,588
NAPA	\$	752,585
ST HELENA	\$	58,761
YOUNTVILLE	\$	32,024
COUNTY TOTAL	\$	1,041,747
SAN FRANCISCO	\$	7,836,182
SAN MATEO		
ATHERTON	\$	71,251
BELMONT	\$	251,643
BRISBANE	\$	36,734
BURLINGAME	\$	277,879
COLMA	\$	15,453
DALY CITY	\$	1,028,433
EAST PALO ALTO	\$	314,780
FOSTER CITY	\$	293,361
HALF MOON BAY	\$	124,988
HILLSBOROUGH	\$	107,582
MENLO PARK	\$	301,701
MILLBRAE	\$	203,440
PACIFICA	\$	380,084
PORTOLA VALLEY	\$	44,671
REDWOOD CITY	\$	746,521
SAN BRUNO	\$	407,321
SAN CARLOS	\$	277,320
SAN MATEO	\$	925,364
SOUTH SAN FRANCISCO	\$	606,581
WOODSIDE	\$	54,031
COUNTY TOTAL	\$	6,469,138
SANTA CLARA		
CAMPBELL	\$	376,837

CUPERTINO	\$	528,247
GILROY	\$	476,119
LOS ALTOS	\$	270,874
LOS ALTOS HILLS	\$	83,220
LOS GATOS	\$	284,423
MILPITAS	\$	640,450
MONTE SERENO	\$	34,458
MORGAN HILL	\$	363,915
MOUNTAIN VIEW	\$	706,373
PALO ALTO	\$	609,760
SAN JOSE	\$	9,356,942
SANTA CLARA	\$	1,086,820
SARATOGA	\$	302,535
SUNNYVALE	\$	1,310,256
COUNTY TOTAL	\$	16,431,228
SOLANO		
BENICIA	\$	268,038
DIXON	\$	172,426
FAIRFIELD	\$	1,036,095
RIO VISTA	\$	72,369
SUISUN CITY	\$	272,247
VACAVILLE	\$	945,771
VALLEJO	\$	1,188,153
COUNTY TOTAL	\$	3,955,100
SONOMA		
CLOVERDALE	\$	82,946
COTATI	\$	72,418
HEALDSBURG	\$	114,833
PETALUMA	\$	556,572
ROHNERT PARK	\$	422,156
SANTA ROSA	\$	1,541,815
SEBASTOPOL	\$	76,068
SONOMA	\$	97,064
WINDSOR	\$	255,205
COUNTY TOTAL	\$	3,219,077
GRAND TOTAL, BY COUNTY		
Alameda	\$	22,829,071
Contra Costa	\$	15,870,419
Marin	\$	4,020,819
Napa	\$	2,541,220
San Francisco	\$	12,232,992
San Mateo	\$	12,011,002
Santa Clara	\$	27,845,634
Solano	\$	7,367,881
Sonoma	\$	8,295,763
Region	\$	113,014,800

Based on January 2006 Population Projections from the DOF, and 2004 Statistics on county roads and maintained vehicles